

## Message Text

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43

ACTION AID-31

INFO OCT-01 EUR-12 ISO-00 EB-07 TRSE-00 OMB-01 SAM-01 PA-01

PRS-01 USIA-06 SS-15 SP-02 NSC-05 CIAE-00 INR-07

NSAE-00 /090 W

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R 121637Z JUN 75

FM AMEMBASSY LISBON

TO SECSTATE WASHDC 3078

INFO USMISSION EC BRUSSELS

AMEMBASSY LONDON

AMEMBASSY MADRID

AMEMBASSY PARIS

USMISSION OECD PARIS

USMISSION NATO

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MADRID PASS TO AMBASSADOR CARLUCCI

EO 11652: N/A

TAGS: EFIN, EAID, IBRD, PO

SUBJ: WORLD BANK VISIT EVOKE CRY FROM PRIVATE SECTOR

1. IBRD VICE PRESIDENT MARTIN BENJECK ARRIVED IN LISBON JUNE 9 FOR FOUR-DAY VISIT. VISIT IS SECOND STAGE OF NEGOTIATIONS FOR IBRD AID TO PORTUGAL, WITH CONCRETE PROJECTS TO BE SUBJECT OF FUTURE THIRD STAGE.

2. THIS IS BENJECK'S THIRD VISIT SINCE NOVEMBER 1974. THE LAST VISIT WAS AS PART OF TEAM WHICH PREPARED REPORT FOR IBRD. REPORT WAS DELIVERED TO PORTUGUESE GOVERNMENT LAST MONTH. BENJECK IS ALSO TO PREPARE REPORT ABOUT PORTUGUESE ECONOMIC SITUATION.

3. BENJECK IS HOLDING MEETINGS WITH PRIME MINISTER, ALL MINISTERS IN ECONOMIC AREA, MINISTERS WITHOUT PORTFOLIO ALVARO CUNHAL AND

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PEREIRA DE MOURA, AND LEADERS OF INTERSINDICAL AND CONFEDERATION

OF PORTUGUESE INDUSTRY (CIP).

4. CIP PRESIDENT VASCO DE MELO TOOK ADVANTAGE OF CONVERSATION TO STRONGLY CIRTCIZE UNCERTAINTY IN WHICH PRIVATE SECTOR EXPECTED TO OPERATE. IN STRONGEST STATEMENT TO DATE FROM CIP, WHICH HAS BEEN LARGELY SILENT ABOUT RECENT GOVERNMENT ECONOMIC MEASURES, DE MELO SAID THAT CIP IS NOT OPPOSED TO LEFTIST ORIENTATION IF COUNTRY WANTS IT, BUT GOVERNMENT SHOULD ASK ARMED FORCES TO DEFINE HOW FAR THEY ARE GOING TO MOVE. HE POINTED OUT THAT PRIVATE SECTOR CANNOT BE REQUIRED TO OPERATE NORMALLY IN ABSENCE OF SUCH A DEFINITION. DE MELO ALSO POINTED OUT THAT BEFORE IBRD CAN MAKE LOAN IT HAS TO KNOW THE EXISTING RULES IN ORDER TO KNOW WAY FINANCING WILL BE USED.

5. COMMENT: A. STATEMENT BY CIP PRESIDENT WAS CARRIED (ALTHOUGH SOMEWHAT BURIED) IN DIARIO DE NOTICIAS.

B. IT WILL BE INTERESTING TO SEE HOW WILLING IBRD WILL BE TO EXTEND LOAN IN VIEW OF DE MELO'S FULLY-JUSTIFIED COMPLAINTS. IT WILL ALSO BE INTERESTING TO SEE IF PRIVATE SECTOR WILL NOW START MAKING PUBLIC THOSE GRIEVANCES WHICH UNTIL NOW HAVE REMAINED MOSTLY PRIVATE.

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## Message Attributes

**Automatic Decaptoning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** VISITS, NEGOTIATIONS, INTERNATIONAL ORGANIZATIONS, FOREIGN ASSISTANCE  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 12 JUN 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** GolinoFR  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975LISBON03315  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
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**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D750205-0773  
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**Office:** ACTION AID  
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**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
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**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
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**Subject:** WORLD BANK VISIT EVOKE CRY FROM PRIVATE SECTOR  
**TAGS:** EFIN, EAID, PO, IBRD, (BENJECK, MARTIN)  
**To:** STATE  
**Type:** TE  
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